

30 NOV 1973

MEMORANDUM FOR: Director of Central Intelligence

THROUGH : CIA Management Committee

SUBJECT : New Approaches to Personnel Management

1. In response to the instruction of the Agency Management Committee, the Personnel Approaches Study Group (PASG) studied the essential elements of an Agency-wide program for improving personnel management in the Agency. In the course of its review, the Group met with the CIA and four Directorate Management Advisory Groups and obtained information from Career Service Heads concerning the operation of their Career Services. Summaries of the information secured from these sources are found in Annexes A and B.

2. The recommendations of the Personnel Approaches Study Group are designed to bring uniformity to personnel management in the CIA and still retain to the four Deputy Directors sufficient flexibility to meet their unique requirements. The cornerstone of PASG's conclusions is contained in the definition of "Career Service" as a "personnel management system," not as an institution in which membership should suggest tenure; indeed, it is PASG's joint opinion that continued employment can depend only on performance. To achieve uniformity, PASG considers that the formal Career Services be limited to five, one for each Directorate and a small, compressed service to handle those individuals in the DCI area who are not susceptible to inclusion elsewhere. This approach, in effect, forces the management of each major service under the cognizance of the appropriate individual Deputy Director. It thereby withdraws authorities from operating officials, presently granted in Agency regulations, to run separate Career Services with only the broadest guidelines.

3. It is presumed that each Deputy Director will have sub-groupings in his Directorate Career Service to discharge more efficiently those uniform authorities vested in him.

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These Groups will permit the Directorates to continue with much of the varied Career Service structures they now employ in day-to-day management. But these Groups will now be operating under a series of some sixteen published, uniform guidelines issued and audited by the individual Deputies. Among these guidelines, for example, will be the requirement for all Directorates to operate an evaluation and ranking system of all professional employees; the necessity to maintain Directorate counseling programs for all employees; the establishment and publishing of uniform promotion criteria; published uniform selection standards for training and education opportunities; development of policies to facilitate employee mobility; development of systems for solving grievance problems; and the development of procedures to correct marginal performance through counseling, retraining, reassignment, or termination.

4. The idea of a fifth or E Career Service stems from the existence of employees in the Office of the Director whose occupational specialties defy inclusion in any of the other services. It is PASG's opinion, however, that in the future the E Service should be purified to exclude individuals who are working on rotational or developmental assignments. Members of the four Directorate Services joining an O/DCI component should retain their designators and remain under the long-term purview of the parent service. Exceptions to this rule should be held to an absolute minimum. A Senior Officer of the E Service should be designated by the DCI as manager of that Service.

5. In the course of discussions on the meaning of Career Service, PASG found the provision of the one-year trial period for new employees to be a valuable concept, but that the three-year career-provisional period prior to acceptance in a Career Service was meaningless. The procedure for terminating an employee at any time following the trial period, two, three or five years, is the same, requiring action by the DCI under the authority of section 102 (c) of the National Security Act of 1947, as amended. Under these circumstances, the appraisal of an employee at the three-year point has become no more meaningful than annual appraisal

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at any point in the employee's career. In PASG's opinion the three-year review prior to appointment as a Career Employee and member of a Career Service could become significant if termination of an employee at the end of three years could be effected under the same authority; i.e., the Director of Personnel, as now exists for the one-year trial period. This possibility is presently under consideration by the General Counsel. If the one-year procedure cannot be extended through to the three-year period, PASG would recommend changing regulations to eliminate the three-year career-provisional period and retain only the one-year trial period. If extension is possible, then the one-year trial period would simply be extended to three years.

6. PASG deliberated at length on the pros and cons of a separate Career Service for all supergrades in the Agency. It was concluded that a panel evaluation system for such a service would prove unworkable on several counts, but that some kind of top management review of prospective candidates for supergrade vacancies could only improve the productive use and inter-Directorate development of these costly assets. One possible method of accomplishing this is suggested.

7. Also considered and discarded for cost-effective reasons was the establishment of Directorate-wide clerical Career Services.

8. Finally, much time was spent on the feasibility of a system for identifying employee groups having common functional or occupational specialties along the lines of a modified Military Occupational Specialty (MOS) system. Such an arrangement would facilitate quick access to machine-stored information about employees with certain combinations or qualifications and permit useful statistical comparisons of individuals in affinity groupings irrespective of location. Use of a computerized system tailored to these objectives, however, would be excessively costly in manpower and machine resources. PASG believes that the existing Qualifications Records System (described at Annex C) can be modified to achieve most of the advantages sought in the MOS concept.

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9. Some of our recommendations would necessitate additional personnel staffing and/or expenditures. These include the following suggested actions by each Directorate: (a) provide for the training and qualifications updating of employees, to insure their qualifications-readiness for current and future assignments; (b) maintain an employee evaluation system and structure; and (c) create a Directorate-wide counseling program. The exact costs of these programs cannot be foreseen since they would depend upon specific plans and actions yet to be determined by the Directorates. It is presumed some of the additional staffing effort and time required to implement these recommendations could be absorbed or diverted from other purposes.

10. One of the major, continuing concerns of top management has been to meet the desire of employees to receive more information on how the personnel system works -- a need that was reaffirmed to PASG by most of the MAGs. We believe the reporting of full information on accepted new approaches to personnel management is a significant step in this direction and suggest the approved portions of our report be disseminated on an all employee basis and regulations changed accordingly.

11. Approval of the report is recommended.

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[Redacted]
John F. Blake, Chairman (DDM&S)

FOIAB3B

[Redacted]
David S. Brandwein, (DDS&T)

FOIAB3B

[Redacted]
Harry C. Eisenbeiss (DDI)

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APPROVED:*

JAN 1974

DISAPPROVED:

*with the two additions specified in the Minutes of the Management Committee meeting of 7 January 1974.

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